

[illegible]



# Independent Research

## Meridien Research, Inc.

Shifting Power to the Buy Side: Automating Fixed-Income Markets, October 1999

QV was ranked at the top of this study based on a comprehensive feature range including full price discovery, order matching, availability to institutional investors and straight-through-processing (STP).

## TowerGroup Research, Inc.

Consolidating Data from Multiple E-Bond Systems: Dealer Solutions, July 2000

TowerGroup focused on the inherent inefficiencies, poor workflow and risk exposure due to the current lack of connectivity among ATS's. QV Trader™ was cited as one of only two viable solutions for integrating the fixed-income ATS's at the market level.



## QV Trader Overview

Single screen, virtual market of multiple electronic liquidity providers.

Intelligent order routing to Best Bid/Best Offer.

- Existing Connectivity to Cantor/eSpeed institutional and middle markets (MMTS).

In progress: Zions Bank; Eurex

## Checking Margins

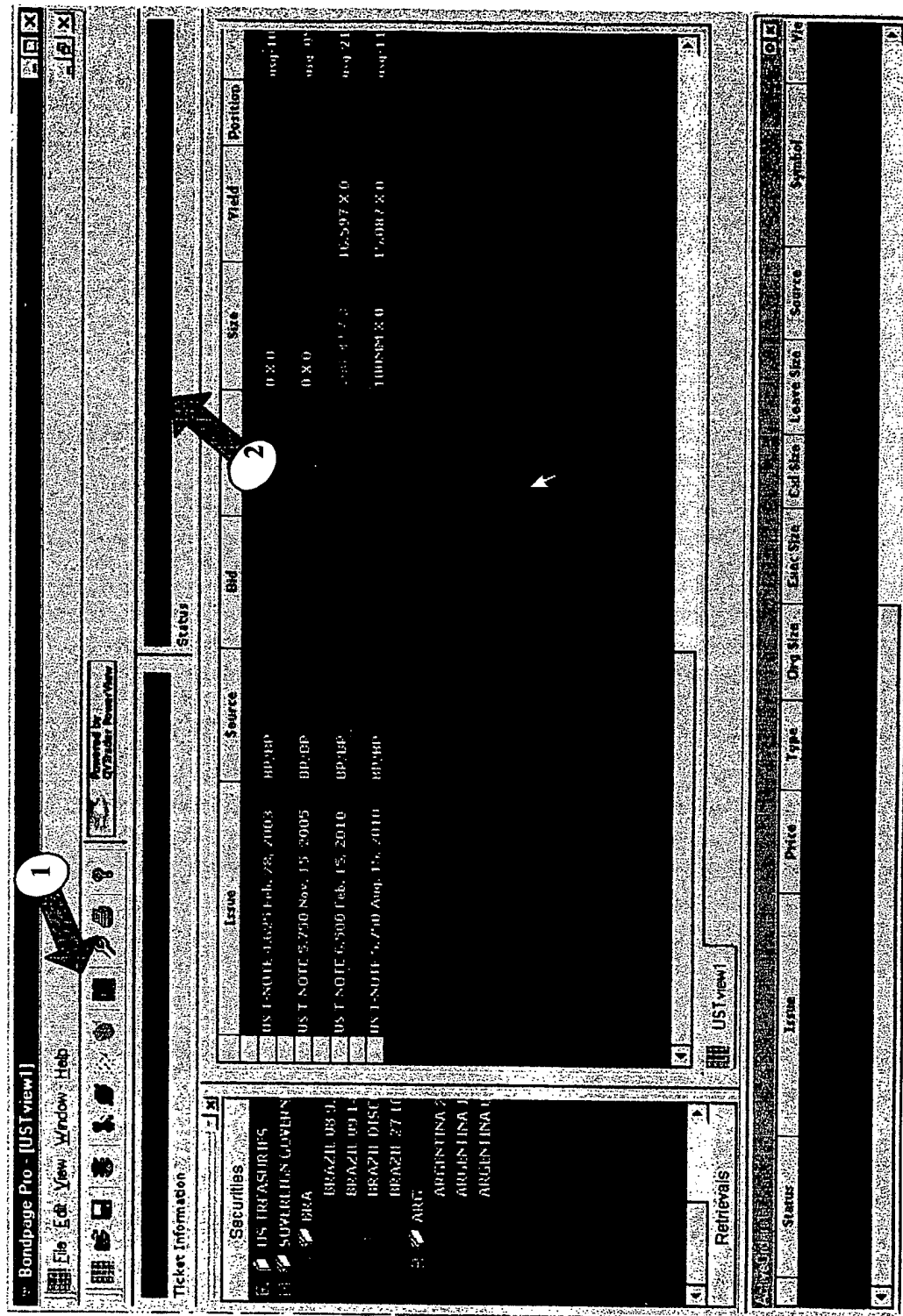
Each Customer has a quoted margin limit. The margin button allows the user to view their current margin usage in addition to their limit, all in real time.

As long as the button is **Green** the user is free to trade. When the button is **Red** only orders that reduce margin usage will be accepted.

# Checking Margins

## Viewing Margins

Click on the margin button (Arrow 1).  
 The margin Limit and amount used will appear in the margin window (Arrow 2).





QV Trading Systems, Inc.

## On-Line Trading with Cantor eSpeed's Markets! Fastest Execution! Unmatched Liquidity! INTERNET ACCESS!

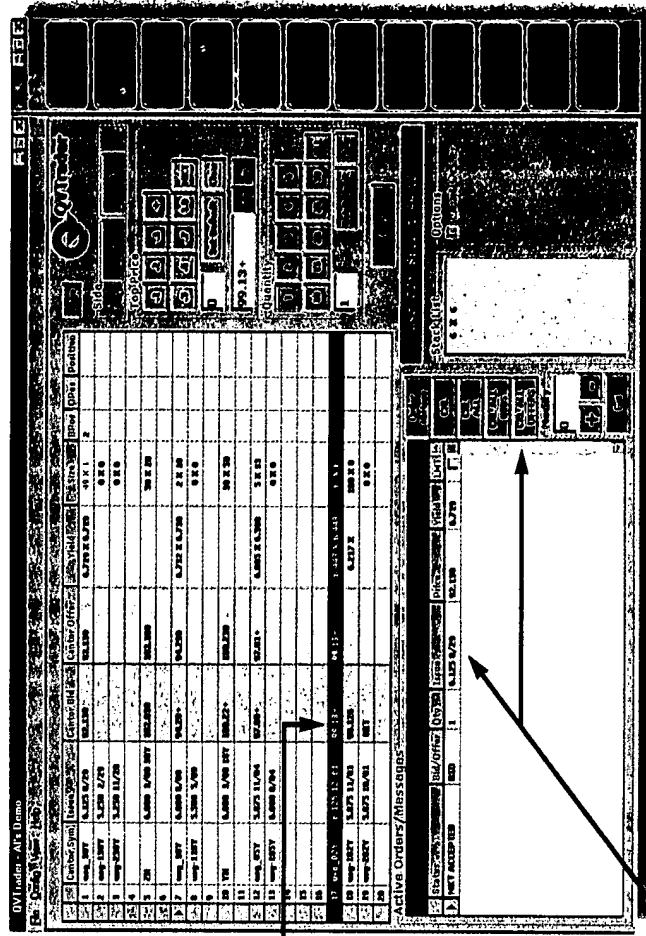
EXHIBIT III.a

Using QV TRADER, you can trade on-line with the world's most liquid U.S. Treasury market right over the Internet or from a proprietary Intranet.

Point and click trading from a single screen. Just click on a price you wish to hit or lift, click a quantity, and **GO!**

Select the different issues you want to trade and arrange them on the screen in any order. Create up to 20 different screens!

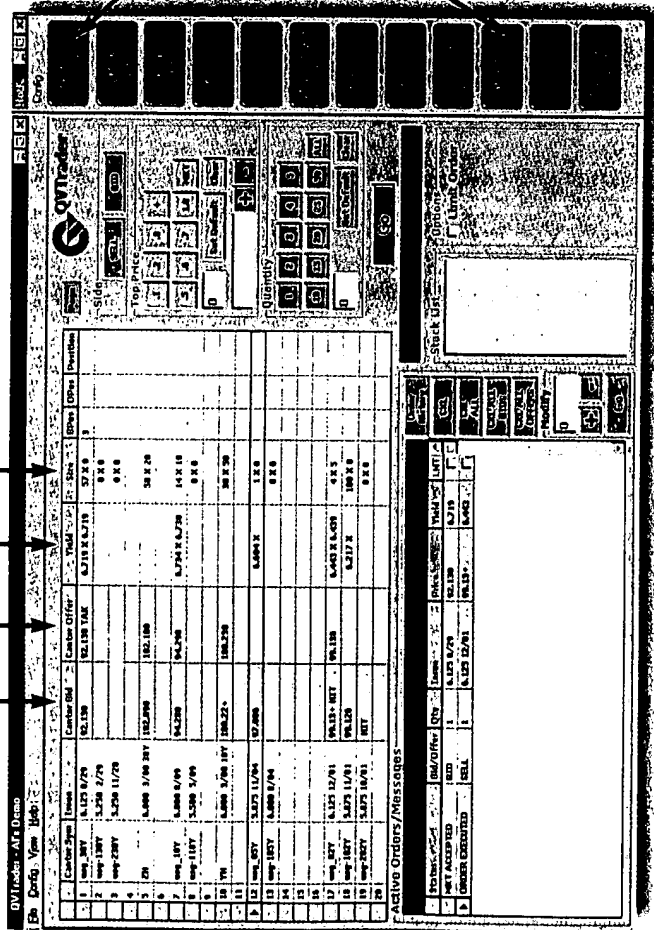
Continuously updated prices, yields and sizes!



Monitor orders here and cancel or modify quickly and easily!

Pre-Program your own Function Keys for fast, single-stroke trading. Hit Bids, lift Offers, and enter Orders with one mouse click or by pressing a keyboard function key!

Combine different function keys into one for more complex trading involving multiple buys and sells simultaneously!



### QUESTIONS:

What happens after the trade?  
What's my position? P&L? Risk?  
What about my other trades?

### ANSWER:

You need QV TRADER STUDIO!  
(see other side!)

QV Trading Systems, Inc.  
2 Wall Street, New York, NY 10005  
Tel. 212.385.6733 or 1.800.858.0351  
Fax 212.385.2436

EXHIBIT III.b

# Selling a Bond

## Selling a Bond From PowerView

Click bid field on the instrument, (Arrow 1). A key pad will appear with the cursor in the Sell box, (Arrow 2). Then use green keys to select quantity or the ALL button to select total amount bid, (Arrow 3). Click on GO button to execute trade, (Arrow 4).

**Bondpage Pro - [UST view]**

File Edit View Window Help

**Ticket Information**

BP-usg\_30Y SELL 30-M 98-31-4

**Securities**

- US TREASURIES
- USA
- FEDERAL GOVERNMENT

**Retrievals**

State Issue Price Type Orig Size Exec

| Issue                         | Bid     | Offer   | Size        | Yield         | Symbol         |
|-------------------------------|---------|---------|-------------|---------------|----------------|
| US T-NOTE 4.625 Feb. 28, 2003 | 98-31-4 | 99-2-0  | 0 X 0       | 0 X 5.112     | usg_30Y usg_02 |
| US T-NOTE 5.750 Nov. 15, 2005 | BP-BP   | 100-0-4 | 0 X 0       |               | usg_05Y usg_05 |
| US T-NOTE 5.750 Aug. 15, 2010 | BP-BP   | 100-0-4 | 0 X 0       |               | usg_10Y usg_10 |
| US T-BOND 5.375 Feb. 15, 2031 | BP-BP   | 99-3-4  | 100MM X 4MM | 5.443 X 5.436 | usg_30Y usg_30 |

**Sell**

Bid: 98-31-4

Enter Price: 98-31-4

Quantity: 1 2 3 4 5 6 7 8 9 0 ALL

Set Default Clear

GO

Source: BP

Options: ☐ Link Order

NUM

EXIT III.C

# Buying a Bond

## Buying a Bond in PowerView

- Click offer box on the security, (Arrow 1). A key pad will appear with the cursor in the BUY box, (Arrow 2). Then use green keys to select quantity or the ALL button to select the total amount offered, (Arrow 3). Click on GO button to execute trade, (Arrow 4).

| Issue                        | Source | Bid      | Offer   | Size       | Yield         | Position | Symbol       |
|------------------------------|--------|----------|---------|------------|---------------|----------|--------------|
| US T-NOTE 3.625 Feb. 20 2003 | BP BP  | 100 31.4 | 100 1.4 | 3MM X 0    | 4.624 X 0     |          | US91_30Y_033 |
| US T-NOTE 3.750 Nov. 15 2005 | BP BP  | 100 0.9  | 100 0.4 | 0 X 0      |               |          | US91_30Y_033 |
| US T-NOTE 3.750 Aug. 15 2010 | BP BP  | 100 0.9  | 100 1.0 | 0 X 0      |               |          | US91_30Y_033 |
| US T-BOND 5.375 Feb. 15 2031 | BP BP  | 99-31.4  | 100 0.4 | 04MM X 1MM | 5.375 X 5.375 |          | US91_30Y_033 |



# EXHIBIT III.d

HotK...

Config

QVTrader

File Config View Help

Page

1

Side

BUY

SELL

GO

Top Price

92.130

Quantity

0

usg\_30Y 0 92.130

Stack List

48 X 1  
1 X

Options

☐ Limit Order

Active Orders/Messages

Status

Bid/Offer

Qty

Issue

Price

Yield

LMT

MKT ACCEPTED

BID

1

6.125 8/29

92.130

6.719

☐

Annotation:

Trader configures screen to monitor select group of securities. Up to 20 screens can be created. Prices, Yields, and Size all update in realtime. System is accessed via Internet or private network.

File Config View Help

Click Bid price you wish to hit or join, Click “SELL” or “BID”, Click Quantity and “GO”. If buying or offering, start by clicking the Offer price instead. “SELL” and “BID” buttons will become “BUY” and “OFFER”.

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Open orders and execution information displayed in realtime. Orders can be cancelled or modified (size) easily.

# EXHIBIT IV . a

**QV Trading Systems Inc.**  
**Minutes of the Regular Meeting of the Board of Directors**  
**Held at the Office of QV Trading Systems**  
**2 Wall St. 3<sup>rd</sup> Floor,**  
**New York, New York**  
**On Monday, September 18, 2000 at 2:00pm**

|          |                |  |
|----------|----------------|--|
| Present: | Robert Weeden  | Chairman   |
|          | Albert Moras   | President, CEO                                       |
|          | William Musser | Director   |
|          | Peter McCarthy | Director   |
|          | Glen Kirwin    | Director   |
|          | John Lofaso    | Snr. Credit Analyst, Refco Securities                |
|          | Mitch Heller   | Vice President of Sales & Marketing                  |
|          | Sandy Kimmel   | CFO  |
|          | Edward Eggert  | Vice President, Stockholder, and<br>Acting Secretary |

Mr. Moras brought the Meeting to order at 2:20pm.

Mr. Heller made a presentation to the Board concerning the current sales efforts. He noted that a number of contracts had been signed but technical issues with firewalls, networks, hardware, etc. had delayed implementation. Mr. McCarthy noted his frustration with the delays getting the existing Refco X-11 GUI customers to move to the Windows platform. Mr. Heller felt that great inroads could be made in Chicago when Eurex was integrated into the QVTrader product. Overall, Mr. Heller found the response to the product to be extremely favorable.

Mr. Kimmel then gave a brief description of his past employment and reviewed the current financials for the Board. He noted the need for additional financing in the near future.

Mr. Moras then gave a demonstration of the Credit Administration module to the Board in order to show the importance of integrating the electronic execution system with the traditional risk-management system. Mr. Kirwin proposed that revenue could be increased by selling the Credit Administration separately from the QVTrader product, rather than bundling it as an optional feature.

The Board then had a wide ranging discussion of the pricing strategies for the product. Mr. Kirwin noted the aggressive sales schedule for 2001.

Mr. Moras and Mr. Lofaso then discussed the current investment opportunities. In particular, there was a discussion regarding an investment for Rosenthal, Collins. That generated a further discussion of valuation. Mr. Kirwin indicated the importance of the traditional risk-management system to potential investors.

Mr. Eggert was nominated as the Corporate Secretary, replacing former Director John Weeden who has retired. The nomination was seconded by Mr. Musser and Mr. Eggert was unanimously elected.

Mr. Kimmel than discussed the importance of obtaining new outside accountants and counsel. The Board instructed him to begin a search in each of those areas.

There being no further business, the Meeting was adjourned at 5:10pm.

EXHIBIT IV.b



One World Trade Center  
New York, NY 10048  
212.938.3773  
[www.eSpeed.com](http://www.eSpeed.com)

May 10, 2001

VIA TELECOPY – (212) 385-2436  
AND REGULAR MAIL

QV Trading Systems, Inc.  
2 Wall Street, 3<sup>rd</sup> Floor  
New York, NY 10005

Attention: Al Moras  
President

Re: QV Board of Directors

Dear Al:

This letter is to inform QV Trading Systems, Inc. that I am resigning from the Board of Directors effective immediately.

Sincerely,

A handwritten signature in black ink, appearing to read "Glenn Kirwin". The signature is fluid and cursive, with a long horizontal stroke at the end.

Glenn Kirwin